

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

<b>In re:</b>	§	<b>Chapter 11</b>
	§	
<b>APPROACH RESOURCES INC., et al.,</b>	§	<b>Case No. 19-36444 (MI)</b>
	§	
	§	<b>(Jointly Administered)</b>
<b>Debtors.<sup>1</sup></b>	§	
	§	
	§	<b>Re: Dkt. Nos. 100, 184, 243, 251</b>

**NOTICE OF PREVAILING PURCHASER AND AUCTION CANCELLATION**

**PLEASE TAKE NOTICE THAT** on December 11, 2019, Approach Resources Inc. and its debtor affiliates (collectively, the “Debtors”) filed the *Motion for (i) Entry of an Order Approving (a) Bid Procedures; (b) the Form and Manner of Notice; (c) the Procedures for Determining Cure Amounts for Executory Contracts and Unexpired Leases; and (ii) Entry of an Order Approving (a) the Sale of Substantially All of the Debtors Assets Free and Clear of All Liens, Claims, Encumbrances and Interests; and (b) the Assumption and Assignment of Certain Contracts and Unexpired Leases* [Dkt. No. 100] (the “Bid Procedures and Sale Motion”).<sup>2</sup>

**PLEASE TAKE FURTHER NOTICE THAT** on January 9, 2020, the Court entered the *Order Approving (a) Bid Procedures; (b) the Form and Manner of Notice; (c) the Procedures for Determining Cure Amounts for Executory Contracts and Unexpired Leases; and (d) Granting Related Relief* [Dkt. No. 184] (the “Bid Procedures Order”) approving, *inter alia*, (a) the bid

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, as applicable, are: Approach Resources Inc. (4817); Approach Midstream Holdings LLC (4122); Approach Oil & Gas Inc. (7957); Approach Operating, LLC (1981); Approach Delaware, LLC (7483); Approach Services, LLC (3806); and Approach Resources I, LP (5316). The Debtors’ mailing address is One Ridgmar Centre, 6500 West Freeway, Suite 900, Fort Worth, Texas 76116.

<sup>2</sup> All capitalized terms used herein but not otherwise defined shall have the meaning ascribed to them in the Bid Procedures and Sale Motion.

procedures (the “Bid Procedures”) governing a marketing and sale process for substantially all of the Debtors’ assets (the “Assets”); and (b) an auction (the “Auction”) of the Assets.

**PLEASE TAKE FURTHER NOTICE THAT**, pursuant to the Bid Procedures and Sale Motion, on February 4, 2020, the Debtors filed the *Notice of Stalking Horse Bid in Connection with the Sale of the Debtors Assets* [Dkt. No. 243] (the “Stalking Horse Notice”), which provided parties in interest with notice and an opportunity to object to, *inter alia*, (a) the Debtors’ selection of Alpine Energy Acquisitions, LLC (“Alpine”) as the stalking horse bidder (the “Stalking Horse Bidder”); and (b) certain of the Debtors’ entry into that certain Asset Purchase Agreement by and among the certain of the Debtors and Alpine Energy Acquisitions, LLC and joined in for certain purposes by Alpine Energy Capital, LLC (the “Stalking Horse APA”), as the Stalking Horse bid for the Assets. The Stalking Horse Notice required any objections to the Stalking Horse Bidder or the Stalking Horse APA to be filed by February 10, 2020 at 4:00 p.m. (prevailing Central Time) (the “Objection Deadline”).

**PLEASE TAKE FURTHER NOTICE THAT** no objections were filed to the Stalking Horse Bidder or the Stalking Horse APA by the Objection Deadline, and on February 10, 2020 the Court entered the *Order (a) Authorizing the Debtors to Enter Into Stalking Horse Purchase Agreement (b) Approving Related Break-Up Fee and Expense Reimbursement and (c) Granting Related Relief* [Dkt. No. 251], approving Alpine as the Stalking Horse Bidder and the Stalking Horse APA as the Stalking Horse bid.

**PLEASE TAKE FURTHER NOTICE THAT** (a) no Qualifying Bid (other than the Stalking Horse bid) was received by the Debtors by the Bid Deadline; and (b) the Agent did not exercise its Credit Bid Right by the Agent Credit Bid Deadline. Therefore, pursuant to the Bid

Procedures Order, (a) the Stalking Horse Bidder is the Prevailing Purchaser; and (b) the Auction that was to be held at 1:00 p.m. (prevailing Central Time) on February 26, 2020, will not be held.

**PLEASE TAKE FURTHER NOTICE THAT** a hearing (the “Sale Hearing”) will be held before the Honorable Marvin Isgur, United States Bankruptcy Judge for the Southern District of Texas, Houston Division, on March 4, 2020 at 1:30 p.m. (prevailing Central Time) at 515 Rusk St., Courtroom 404, Houston, TX 77002, to consider the sale of substantially all of the Debtors’ Assets to Alpine pursuant to the Stalking Horse APA (the “Transaction”). Objections to the Transaction must be filed with the Bankruptcy Court and served to be received by the Objection Notice Parties no later than March 2, 2020 at 4:00 p.m. (prevailing Central Time).

**PLEASE TAKE FURTHER NOTICE THAT** copies of all filings made in these cases may be obtained free of charge at the website dedicated to the Debtors’ chapter 11 cases maintained by their claims and noticing agent, Epiq Corporate Restructuring LLC, located at <https://dm.epiq11.com/approachresources>.

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**DATED:** February 24, 2020.

Respectfully submitted,

**THOMPSON & KNIGHT LLP**

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